political interference in the functioning of the State Co-operative Institutions. If we close our eyes to the reality, we are only deluding ourselves and hurting the poor people. So, we must have a structure which is far different from the present structure. We must have a legal structure; we must have a management structure which is different from the present one. I am not blaming any particular State Government. I am saying that it is the same in every State at some time or other. Yes, the Vyas Committee's recommendations were taken into account by the Vaidyanathan Committee. The Anant Gite Committee dealt with urban co-operative banks, and that is a separate matter. We will place all this before the Conference of State Governments. We will arrive at a consensus and we will implement it according to a time table.

But, believe me, when I say that I am very concerned about the state of affairs in co-operative institutions, I am not pointing fingers; I am only reflecting the reality.

Reduction in rate of interest by NABARD

*190. SHRI NAND KISHORE YADAV: Will the Minister of FINANCE be pleased to state:

(a) whether NABARD has reduced the rate of interest on refinance to double the flow of agriculture credit;

(b) if so, the details thereof;

(c) the details of the loans disbursed by NABARD during 2003-04 and 2004-05 against the target fixed; and

(d) the steps taken to accelerate the process of extending loan assistance to agriculture graduates and post graduates in future?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (d) A Statement is laid on the Table of the House.

Statement

(a) and (b) Yes, Sir. With effect from 13th February, 2004, the rates of interest on short-term refinance for seasonal agricultural operations are in the range of 5.25% to 5.75% as against the earlier range of 5.50% to 6.00%. The rates of interest on schematic refinance for farm/non-farm sectors (term-loans) are now in a range of 5.50% to 6.75% against the previous range of 5.75% to 7%. The details are given in Statement-I (*See* below).

(c) The details of the disbursement and achievement under the different schemes of NABARD are given in the Statement-II (*See* below).

(d) the initiatives taken by NABARD to boost loan assistance among agriculture graduates and post graduates are as under:

1. Under the Agri-clinics and Agri-business Centres (ACABC) Scheme introduced in 2001, agriculture graduates are eligible for loan assistance to set up ACACB units.
2. Margin money/collateral requirement has been waived for loans upto Rs. 5 lakh
3. Refinance support under automatic refinance facilities is being allowed.
4. Soft loan assistance for margin money may be availed irrespective of availment of refinance from NABARD.
5. Rate of interest on refinance has been fixed at 5.5% irrespective of size of the loan.
6. Six months expenses for setting up of units is allowed to be capitalized and included in the project cost.
7. Eight districts have been identified in eight States for intensified implementation of the scheme.

Statement-I

The Rates on Schematic Refinance for farm and non-farm Sectors

SLAB	Loan Size	NER Including Sikkim and A & N Islands	OTHER REGIONS			
		For all purposes	MI, DLF, LD, WLD, SGSY, SHG,SC-ST Action Plan of Contract farming under AEZ, A&M, RH, FM	NFS	Cold storage /rural godown and other activities	Agri-clinics
I	Upto Rs. 50,000/-	5.50	5.50	5.50	5.50	5.50
II	From Rs. 50,001 to Rs. 2 Lakh	5.50	6.25	6.25	6.25	5.50
III	Above Rs. 2 Lakh	5.50	6.25	6.50	6.75	5.50

MI:	Minor Irrigation	DLF: Dryland Farming
LD:	Land Development	WLD: Wasteland Development
SGSY:	Swarnajayanti Gram Swarozgar Yojana	SHG: Self Help Groups
OF:	Organic Farming	AEZ: Agri Export Zone
A&M:	Aromatic & Medicinal Plants	RH: Rural Housing
NFS:	Non-Farm Sector	FM: Farm Mechanisation

Statement-II

Sector-wise disbursement of refinance by NABARD under Schematic lending during the year 2003-04 *and* 2004-05.

(Rs. in crore)

Sl. No.	Purpose	Target 2003-04	DISBURS-EMENT 2003-04	% Achieve-ment	Target 2004-05	DISBURS-MENTAs on 31st December, 2004	% Achieve-ment
1.	Minor Irrigation	1,047.47	651.45	62.19	860.53	415.2	48.25
2.	Land Development	158.2	185.56	117.3	203.97	212.36	104.11
3.	Farm Mechanisation	1,493.55	827.51	55.41	1,105	779.45	70 54
4.	Plantation & Horticulture	306.04	250.75	81.93	337.41	125.36	37.15
5.	PF/SGP/AH-others	242.11	280.37	115.8	304.84	229.04	75.13
6.	Fisheries	48.28	23.25	48.15	59.38	20.57	34.65
7.	Dairy Development	874.32	669.15	76.53	967.95	467.46	48.29
8.	Storage/market yard	219.99	25.38*	11.54	87.15	21.65	24.85
9.	Forestry/waste and development	18.93	10.94	57.81	27.16	3.39	12.47
10.	Bio-Gas/Non-conventional energy sources	10.2	0.93	9.12	3.05	0.02	0.51

Sl. No	Purpose	Target 2003-04	DISBURS-MENT 2003-04	% Achieve-ment	Target 2004-05	DISBURS-MENT As on 31st December, 2004	% Achieve-ment
11	Non-farm sector	1,760.36	2363.22	134.25	2667.17	1,713.04	64.23
12.	SGSy	594.13	229.45	38.62	373.23	316.14	84.7
13.	SC/ST Action Plan	151.34	73.61	48.64	125.58	60.07	47.83
14.	SHG	460.98	705.44	153.03	873.33	765.89	87.7
15.	Others	214.1	1,308.28	611.06	504.45	766.93	152.03
	Total	7,600	7,605.29	100.07	8,500.2	5,896.57	69.37

* Amount pertains to NABARD Refinance disbursed to the Banks under schematic lending and does not include capital investment subsidy scheme (CIS). Under CIS during the year, a subsidy of Rs. 88.40 crore and refinance of Rs. 22.69 crore was released, enhancing the aggregate capacity created to 86.62 lakh tonnes.

* SGSY-Swarnajayanti Gram Swarojagar Yojana

* SHG-Self Help Group

* SC/ST-Scheduled Caste/Scheduled Tribe

श्री नन्द किशोर यादव: सभापति जी, देश में बेरोजगार स्नातक एवं स्नातकोत्तर छात्रों की संख्या बहुत अधिक है। माननीय मंत्री जी ने अपने उत्तर में कहा है कि कृषि स्नातक एवं स्नातकोत्तर को ऋण देने को बढ़ावा देने के लिए नाबार्ड द्वारा पहल की गई, लेकिन ऐसे ऋण लेने वालों को अनेक परेशानियों का सामना करना पड़ता है। तमाम फॉर्मेलिटीज पूरी करनी पड़ती हैं, जमीन मॉर्टगेज करनी पड़ती है। मैं आपके माध्यम से माननीय मंत्री जी से पूछना चाहता हूं कि सरकार क्या केवल उनकी डिग्रियों पर ही ऋण देने का काम करेगी या जो ऋण दिया जाता है, उसके लिए कानून का सरलीकरण करने का भी काम करेगी?

SHRI P. CHIDAMBARAM: Sir, degree is, certainly, not the only criterion for the loan. Part (d) of the question asked me, "What steps are you taking to accelerate the loans to agricultural graduates and post-graduates?" Therefore, I answered that part by pointing out what special packages are made available to graduates and post-graduates. Surely, anyone, who is not a graduate, is also entitled to a loan.

श्री नन्द किशोर यादव: सर, मेरा दूसरा पूरक प्रश्न यह है कि क्या सरकार दस लाख रुपए तक के ऋण पर मार्जिन मनी में छूट देने का विचार कर रही है?

SHRI P. CHIDAMBARAM: Sir, the answer is there in my written reply - margin money collateral requirement has been waived for loans up to Rs. 5 lakhs.

SHRI V. NARAYANASAMY: Sir, hon. Minister has stated that interest rates on agricultural farming loans are being reduced. In the western countries, and also in other countries, the farmers are getting loans at even one per cent. Apart from that, the Government is also giving subsidy. That is the situation, as far as those countries are concerned. They are giving loans...

MR. CHAIRMAN: What is your question? Please, come to your question.

SHRI V. NARAYANASAMY: I am coming to that. I gave the examples so that the Minister will be able to have a comparative picture.

MR. CHAIRMAN: Please, come to your question.

SHRI V. NARAYANASAMY: Banks are flushed with money. The NABARD is also getting sufficient funds. Therefore, will the hon. Minister reconsider reducing the interest rates? Government's National Common Minimum Programme states that farmers will be given all kinds of protection. Will he reduce the interest rates further?

MR. CHAIRMAN: This is under consideration of the Government.

SHRI P. CHIDAMBARAM: Sir, interest rates are linked to deposit rates. Banks' lending rates are linked to the cost at which banks raise money. There is no point in comparing India with Japan. In Japan, on the short duration Government securities, there is a negative rate of return. As a rule, we don't interfere with the price mechanism. But, we urge banks, including NABARD, to contain their costs, to raise money at lower rates and, therefore, lend money at lower rates. It is because NABARD has been able to improve its efficiency; it has reduced the refinance rates, as I have said in my answer. But, as banking efficiency improves, as spreads narrow, interest rates for lending will indeed come down. But, as a principle, I have stated this many times before, it is not the policy of the Government to interfere with the price mechanism of banks.

डा॰ छत्रपाल सिंह लोधा: माननीय सभापति जी, मैं मंत्री जी से पूछना चाहूंगा कि एग्रीकल्चरल ग्रेजुएट्स और पोस्ट ग्रेजुएट्स की बेरोजगारी दूर करने के लिए क्या उनके द्वारा सुझाए गए प्रोजेक्ट्स को ही जमानत राशि के रूप में मान्यता दी जाएगी?

SHRI P. CHIDAMBARAM: Sir, it depends on what project he gives. If it is agri-clinic or agri-business centre, as per the scheme introduced in 2001, they are entitled for loan assistance to set up these agri-business centres.

But depending upon the worthiness of the project, even if it is not an agri-clinic or agri-business centre, if it is any other project, for example, land reclamation, land development, afforestation, or growing flowers or fruits, if an agriculture graduate comes forward with a worthwhile project, surely he is entitled to agricultural loans.

*191[The question (Shri P.K. Maheshwari) was absent. For answer *vide* page 47].

Stamp Paper Scam

*192. SHRI SHAHID SIDDIQUI: Will the Minister of FINANCE be pleased to refer to the reply to Unstarred Question No. 1920 given in the Rajya Sabha on 21st December, 2004 and state:

(a) whether the investigation by the CBI into stamp paper scam has been completed;

(b) if so, the outcome of the enquiry;

(c) how many people have been charged for this so far, name-wise details with charges framed; and

(d) value of fake stamps/stamp paper seized till date?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (d) A Statement is laid on the Table of the House.

(a) CBI has informed that it has registered 64 cases out of which investigation in 20 cases have been completed and remaining 44 cases are pending at different stages of investigation.